



PSC NEWS

Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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LONG-TERM ENERGY PLAN APPROVED FOR KCPL *PSC Approves Agreement Between KCPL, Office of Public Counsel, PSC Staff and Industrial Users*

JEFFERSON CITY--The Missouri Public Service Commission has approved a long-term energy plan presented by Kansas City Power & Light Company (KCPL), the Office of the Public Counsel, the PSC Staff and industrial users. The plan's design enables the western Missouri utility to continue to provide safe and adequate service, while striking a reasonable and appropriate balance between the interests of customers and shareholders.

The Commission said, "Combining the best elements of proven and latest technology, coal-fired generation, environmental controls, renewable wind energy, and affordability, demand response and efficiency programs, the Experimental Regulatory Plan offers a reasonable proposal for safe and adequate service well into the future."

The plan includes:

➤ **A 800-900 Megawatt coal-fired power plant (Iatan 2) near Weston, Missouri.**

Based upon testimony filed in the case, the Commission found that there is a reasonably projected need for additional baseload capacity in the year 2010.

"Wind generation and energy efficiency are an important part of a comprehensive and balanced resource plan. But the Commission finds and concludes that wind generation alone, energy efficiency alone, or a combination of both, cannot meet KCPL's customers' needs for additional baseload capacity during the term of the Experimental Regulatory Plan," the Commission said.

The regulatory plan also addresses partnership issues involving other electric utilities and KCPL and the Iatan 2 plant.

➤ **Environmental upgrades to Iatan 1 and LaCygne 1.**

Environmental upgrades on Iatan 1 will ensure that total site emissions from Iatan 1 and Iatan 2 will be less than current site emissions from Iatan 1, and will help address the environmental concerns of people living in the area around the Iatan site.

➤ **New wind generation.**

100 MW of new wind generation facilities will be installed in 2006. KCPL will install an additional 100 MW of new wind generation facilities in 2008 if a detailed evaluation supports such an action.

➤ **Various Efficiency and Affordability Programs for customers.**

➤ **Transmission and distribution system upgrades.**

Under the regulatory plan, KCPL will invest \$42.4 million in transmission and distribution infrastructure to ensure a highly reliable transmission and distribution system.

Absent a significant change, KCPL will not raise rates through December 31, 2006. After 2006, KCPL will file rate cases with the Public Service Commission to recover prudent costs associated with the plan.

KCPL provides electric service to approximately 266,000 electric customers in western Missouri.